

# MORTGAGE RECORD U

## SKAMANIA COUNTY, WASHINGTON

the Trustee's rights hereunder shall at once terminate as fully as if these presents had never been executed, and the Trustee, if requested, shall execute and deliver an instrument cancelling this mortgage.

### ARTICLE VI

#### DEFAULT BY MORTGAGOR AND CONSEQUENCES THEREOF

Section 1. EVENTS OF DEFAULT—The Mortgagor agrees that the happening of any one or more of the following contingencies shall constitute an "event of default" (also herein sometimes called a "default") by them under this instrument:

(a) Failure duly and punctually to pay the principal of or interest on any bonds outstanding hereunder on the maturity date when and as the same shall become payable as herein provided (whether at the fixed maturity thereof, or when bonds are called for redemption at the Mortgagor's request as hereinabove provided, and the Mortgagor fails to supply the necessary funds for such redemption), in case such failure shall continue for a period of fifteen days, of which default no notice need be given;

(b) Failure duly and punctually to observe or perform any of the other covenants or agreements herein contained by it to be observed or performed, in case the last mentioned failure continues for sixty days after written notice from Trustee (by registered letter specifying the character of such failure) shall have been deposited in the United States mail addressed to the Mortgagor at Hood River, Oregon, or at such other address or addresses as the Mortgagor may in writing from time to time designate for this purpose to the Trustee;

(c) Appointment of a receiver, Trustee in Bankruptcy or Liquidating Agent for the Mortgagor for all or any part of the property mortgaged hereunder;

(d) Entry of a judgment or order by any court to sequester all or any part of the mortgaged property, in case bond for the release thereof shall not be given and the property actually released therefrom within sixty days after such entry;

(e) There shall be any existing judgment against the Mortgagor unsatisfied by appeal bond or otherwise for ninety days after such judgment. (Pg. 30)

Section 2. REMEDIES IN CASE OF MORTGAGOR'S DEFAULT—Upon any such default, the Trustee may, and, if the holders of as much as twenty per cent in amount of the bonds then outstanding hereunder comply with Section 3 of this Article and so request, shall (subject to Section 4 of this Article) pursue such one or more of the following remedies as may lawfully be pursued and as the Trustee or said holders, as the case may be, elect to pursue or to have pursued;

(a) RIGHT OF TRUSTEE TO ENTER AND OPERATE—With or without process of law, and either personally or by its attorneys, agents and servants, enter upon and take possession of all and singular the mortgaged property and the records, books, papers and accounts of the Mortgagor, exclude the Mortgagor, its agents and servants, wholly therefrom, collect and receive all rents, issues, income and profits from the mortgaged property, operate and carry on the Mortgagor's business, in so far as the mortgaged property is concerned, as fully and unrestrictedly as the Mortgagor might do, and apply all funds coming into its hands as follows:

(a-1) First, to paying all expenses of entering upon, maintaining and operating said property, including the cost of such repairs, replacements, additions and improvements thereof or thereto as it may deem it proper to make, and including all sums paid for taxes, assessments, insurance premiums and other charges on said property or any part thereof, and including interest at the rate of eight per cent per annum on all sums advanced hereunder by the Trustee and Banker or either of them, and including reasonable compensation for the